

COMMITTEE OF THE WHOLE (1) – JUNE 4, 2025

STAFF COMMUNICATIONS

Distributed May 30, 2025

- SC1. Memorandum from the Interim Deputy City Manager, Planning, Growth Management and Housing Delivery, dated May 26, 2025
- SC2. Memorandum from the Interim Deputy City Manager, Planning, Growth Management and Housing Delivery, and the Deputy City Manager, Corporate Services, City Treasurer and Chief Financial Officer, dated May 29, 2025

Subject

- Bill 5: *Protect Ontario by Unleashing our Economy Act, 2025*
- Bill 17: *Protect Ontario by Building Faster and Smarter Act, 2025*

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**STAFF COMMUNICATION
FOR INFORMATION ONLY**

SC 1

Staff Communication

CW(1) - June 4, 2025

DATE: May 26, 2025

TO: Mayor and Members of Council

FROM: Vince Musacchio, Interim Deputy City Manager, Planning, Growth Management and Housing Delivery

**RE: STAFF COMMUNICATION – COMMITTEE OF THE WHOLE (1),
JUNE 4, 2025**

Bill 5: Protect Ontario by Unleashing our Economy Act, 2025

1. Purpose

To inform Council of potential impacts in the land use planning process resulting from the proposed Bill 5, *Protect Ontario by Unleashing our Economy Act, 2025* (Bill 5), which was tabled by the Minister of Energy and Mines on April 17, 2025.

Bill 5 proposes to make amendments to the following Acts:

- *Electricity Act, 1998*
- *Endangered Species Act, 2007*
- *Environmental Assessment Act*
- *Environmental Protection Act*
- *Mining Act*
- *Ontario Energy Board Act, 1998*
- *Ontario Heritage Act*
- *Rebuilding Ontario Place Act, 2023*

It also proposes to enact new legislation, entitled the *Special Economic Zones Act, 2025* and the *Species Conservation Act, 2025*.

Bill 5 is currently in second reading and was referred to the Standing Committee on the Interior on May 6, 2025.

The effect that Bill 5 has on existing legislation and its local impacts related to development and cultural heritage are the focus of this communication.

2. Analysis

Amendments to the Ontario Heritage Act, 1990

Bill 5's proposed amendments to the *Ontario Heritage Act* is posted on the Environmental Registry of Ontario (ERO number [025-0418](#)) and the commenting period closed on May 17, 2025.

The proposed legislative amendments to the *Ontario Heritage Act* will impact archaeology in Ontario, specifically with respect to two principal themes.

The Amendments Add Additional Enforcement and Compliance Mechanisms by:

- **Expanding inspection powers**: expanding the Minister's power to direct an inspection so that licensed inspectors may now assess any land, including underwater areas for artifacts or archaeological sites.
- **Expanding assessment orders**: permitting the Minister to direct that no person shall alter or remove an artifact until a licensed archaeologist has completed an assessment and provided a report confirming whether any archaeological sites have been found and whether they bear any cultural heritage value or interest.
- **Authorizing seizure and custody of artifacts**: authorizing the Minister to direct that artifacts be deposited in public institutions or with Indigenous communities and to also enhance the Minister's existing authority to seize artifacts from licensees in contravention of their license or a person who is not a licensed archaeologist where they are in possession of artifacts.
- **Authorizing investigations**: where the authority for investigative powers currently reside through the *Provincial Offences Act*, R.S.O. 1990, c. P.33, the amendments to the *Ontario Heritage Act* now empowers the Minister to appoint investigators who can obtain search warrants, conduct investigations, and issue mandatory production orders for documents or data relevant to potential offences under the *Ontario Heritage Act*.
- **Introducing new legal tools to enforce against an offence**: the amendments also introduce several legal provisions, such as introducing a two-year limitation period for prosecuting offences, and will authorize court orders to prevent, eliminate, or remedy damage connected to the commission of an offence.

The Amendments Facilitate Development through Exemptions.

The proposed amendments, if passed, would also grant the Lieutenant Governor in Council the authority to exempt certain properties from archaeological assessments from Part VI of the *Ontario Heritage Act*, and other requirements from any other Act or

regulation, except for archeological requirements listed in the *Funeral, Burial and Cremation Services Act*, 2002, which cannot be exempted. These exemptions are determined based on whether the exemption could facilitate specified provincial priorities, including:

- Transit;
- Housing;
- Health and long-term care;
- Infrastructure; and
- Other priorities, as may be prescribed.

The amendments include authority to establish additional criteria by way of a regulation that lists conditions properties must meet to be eligible for the exemption.

The Enactment of the Special Economic Zone Act, 2025

Bill 5's proposed enactment of the *Special Economic Zone Act*, 2025 is posted on the Environmental Registry of Ontario (ERO number [025-0391](#)) and the commenting period closed on May 17, 2025.

The *Special Economic Zone Act*, 2025, introduces new legislation that provides a framework for allowing the Province to designate specific geographic areas as "Special Economic Zones" if certain criteria are met. This has the impact of exempting proponents looking to develop within such zones from various provincial and municipal by-laws for the purposes of accelerating development.

The *Special Economic Zones Act*, 2025, will come into force when Bill 5 receives Royal Assent.

There are three overarching themes introduced through the *Special Economic Zone Act*, 2025:

Three Designation Categories are Created to Accelerate Economic Development in Designated Areas.

The proposed legislation grants decision-making powers to the Lieutenant Governor in Council to designate "Special Economic Zones" and authority to the Minister of Economic Development, Job Creation and Trade the authority to designate what is called, a "Designated Project" or designate a person as a "Trusted Proponent."

The specific details and criteria for assigning a "Special Economic Zone", "Trusted Proponent," or "Designated Project" will be outlined in future regulations that are yet to be published.

Proposed Broad Exemptions from Existing Laws.

A “Trusted Proponent” and “Designated Project” in a Special Economic Zone can be made exempt through the enactment of a regulation from the application of any provincial law, regulation or municipal by-law, in order to facilitate development—this could include any environmental protection laws, *Ontario Heritage Act*, municipal zoning by-law requirements, or any provisions under the *Planning Act*.

Limitation on Legal Recourse.

The proposed legislation also extinguishes any causes of action, limiting the liability of individuals or entities to seek legal remedies against municipalities, Council members, municipal employees and the Province for decisions or actions taken within the framework of the proposed legislation.

Staff will continue to monitor the progress of Bill 5, and specifically the progress of the amendments proposed to the *Ontario Heritage Act* and to the proposed enactment of the *Special Economic Zone Act*, 2025 and their impacts on the draft Vaughan Official Plan 2025.

For more information, contact Zaynab Al-waadh, Legal Counsel, Planning Law, ext. 8063.

Shahrzad Davoudi-Strike, Senior Manager, Urban Design and Cultural Heritage, ext. 8653.

Respectfully submitted by,

A handwritten signature in blue ink, appearing to read 'V. Musacchio'.

Vince Musacchio
Interim Deputy City Manager
Planning, Growth Management and Housing Delivery



**STAFF COMMUNICATION
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SC 2

Staff Communication

CW(1) - June 4, 2025

DATE: May 29, 2025

TO: Mayor and Members of Council

FROM: Vince Musacchio, Interim Deputy City Manager, Planning, Growth Management and Housing Delivery

Michael Coroneos, Deputy City Manager, Corporate Services, City Treasurer and Chief Financial Officer

**RE: STAFF COMMUNICATION – COMMITTEE OF THE WHOLE (1),
JUNE 4, 2025**

Bill 17: *Protect Ontario by Building Faster and Smarter Act, 2025*

1. Purpose

The purpose of this Staff Communication is to provide Mayor and Council information regarding [Bill 17: *Protect Ontario by Building Faster and Smarter Act, 2025*](#) ("Bill 17").

The Minister of Municipal Affairs and Housing proposed Bill 17, which introduces various measures through amendments to existing legislation. This bill aims to expedite transit and infrastructure development, expand the definition of priority transit projects. Additionally, it seeks to streamline and standardize the municipal development approval process and the Development Charge (DC) framework. Notably, Bill 17 restricts the City's ability to pass by-laws regarding the construction or demolition of buildings. It exempts Long-Term Care Homes (LTC) from DCs and dictates when and how those charges will be calculated. The bill also changes as-of-right setbacks and grants the Minister authority to set conditions on development applications on Ministerially Zoned Lands.

Bill 17, if passed, will amend the following eight pieces of legislation:

1. *Building Code Act, 1992* ([25-MMAH004](#))
2. *Building Transit Faster Act, 2020*
3. *City of Toronto Act, 2006*
4. *Development Charges Act, 1997* ([25-MMAH003](#))
5. *Metrolinx Act, 2006*
6. *Ministry of Infrastructure Act, 2011*
7. *Planning Act* ([ERO no. 025-0461](#), [ERO no. 025-0462](#), [ERO no. 025-0463](#))
8. *Transit-Orientated Communities Act, 2020*

Bill 17 passed its First Reading on May 12, 2025. The Legislature adjourned the debate for the Second Reading scheduled on May 15, 2025. Additionally, the Regulations for Bill 17 are posted on both the Environmental Registry of Ontario and the Regulatory Registry of Ontario. The comment period for changes to the *Building Code Act, 1992*, *Development Charges Act, 1997*, and *Planning Act* - regarding Minor Variances, MZO's, Complete Applications, and School approvals - will close on June 11, 2025. The comment period for proposed regulations to the *Planning Act* concerning setbacks and complete applications, will close on June 26, 2025.

Bill 17, its effect on existing legislation, and its local impact are the focus of this communication.

2. Analysis

Building Code Act, 1992

Bill 17 makes two substantive changes to the *Building Code Act, 1992*. Firstly, it removes the duplicative process on research and examination of innovative building materials. As a result, the Minister will no longer need to provide secondary approval for innovative materials approved by the Canadian Construction Materials Centre, allowing them to be used in Ontario. Secondly, it removes the authority of municipalities to pass by-laws respecting the construction and demolition of buildings. This restriction prevents municipalities from adding additional standards, such as green building standards, beyond those outlined in the Ontario Building Code. The government believes this change will ensure that the same building code standards will apply across the Province.

Development Charges Act, 1997

Bill 17 makes significant changes to the *Development Charge Act, 1997*, specifically regarding its application, payment due dates, DC calculation methods, and proposed regulations regarding where DCs apply.

Bill 17, on a go-forward basis, removes obligations on LTC facilities to pay DCs. For clarity, no future DC instalments, even if required under a by-law before the changes from Bill 17 take effect, will be collected. Bill 17 also allows developers, beyond those building rental housing and institutional buildings, to defer the payment of DCs for other residential development from when they receive building permits to the earlier of when they obtain occupancy permits or the day the building is first occupied. The Bill introduces the possibility of a security instrument under prescribed circumstances. Furthermore, Bill 17 eliminates interest on DC instalment payments for rental housing and institutional developments upon the changes in Bill 17 coming into effect. The bill also provides that the amount of DC payable is the lesser of either: (i) the DC amount determined on the date of the zoning by-law amendment application or site plan application (as applicable); or (ii) the DC amount determined when a building permit is issued. Finally, Bill 17 removes the need for a background study, public meeting and the ability to appeal for DC by-law amendments with respect to extending the by-law expiration date, repealing an indexing provision, or decreasing the DC payable for types of development.

The most significant impact to municipalities is the collection of DCs at occupancy without some form of security. Currently DCs are collected at permit issuance and a permit can be withheld if payment is not made. The proposed changes alter the payment timing thereby increasing risk of non-collection from the builder and creates the scenario whereby the tax roll for the new homeowner will be charged the outstanding DC amount.

Bill 17 also proposes establishing various regulatory-making authorities under the *Development Charges Act*. The proposed new authorities, listed under [25-MMAH003](#), are open to comment until June 11, 2025:

- **Merging Service Categories for Development Charge Credit:** This proposal establishes regulations that permit the consolidation of service categories, such as road construction and transit construction, into a single category for DC credits. This enables builders to recoup additional infrastructure costs through credits towards their DCs.
- **Define Local Service:** Currently, municipalities cannot levy development charges (DCs) on local services, such as sidewalks and lighting, under the *Development Charges Act*. The proposed regulation will define local services, and while levying a DC will still be prohibited, these services can be secured through an agreement as a condition of land division.
- **Limit Eligible Capital Cost:** The *Development Charges Act* lists capital costs that can be recovered through DCs. The proposed regulation would prescribe exceptions to what can be retrieved through DCs, including the cost of acquiring or improving land.

Planning Act

Bill 17 proposes several changes to the *Planning Act* regarding schools, official plans, completeness and the ability of Ministers to add conditions of a development application to Minister's zoning orders, and as-of-right setbacks. The regulation changes are posted on the Environmental Registry of Ontario ([ERO no. 025-0461](#)) are open to comment until June 11, 2025.

Regarding schools, Bill 17, once passed, will provide as-of-right permissions for the development of schools and ancillary uses, such as childcare centres therein, on any parcel of urban residential land. It also exempts portable placement from site plan control.

New regulations are proposed to limit the requirement for “other information” needed for a complete development application. To ensure this objective is being maintained prior to the regulations coming into effect, Bill 17 requires municipalities to obtain written approval from the Minister before they adopt any official plan amendment that changes or revokes required information for official plan amendments, zoning by-law amendments, site plans, plans of subdivision or consents. The proposed regulation on complete applications ([ERO no. 025-0462](#)) gives the Minister the authority to regulate the reports or studies needed for a complete application. The Minister can prescribe a list of subject matters for which municipalities can or cannot mandate studies as part of

a complete application and identify specific certified professionals from whom they must accept information. The proposed regulation states that municipalities do not need sun/shadow and wind studies, urban design, or lighting information as part of a complete application.

Bill 17 also proposes a new as-of-right variation from established setback requirements to land zoned residential and outside of the Greenbelt Plan Area. The new regulation ([ERO no. 025-0463](#)) would permit variations if the proposal is within 10% of the setback requirement for the subject lands. This new right is expected to reduce the number of applications to the Committee of Adjustment.

The final change proposed by Bill 17 for the *Planning Act* allows the Minister to impose conditions on landowners that must be met before a Minister's zoning order comes into effect.

Building Transit Faster Act, 2020, Metrolinx Act, 2006, Ministry of Infrastructure Act, 2011, and Transit Oriented Community Act, 2020

Bill 17 makes a series of changes to several Acts related to transportation and infrastructure to advance the delivery of transit-oriented communities ("TOC"). Bill 17 proposes minor changes to the following three Acts:

- **Building Transit Faster Act:** Expanding the rights provided to priority transit projects to all provincial transit projects carried out by Metrolinx, exempting them from provisions in the Expropriation Act (including the requirement for a hearing), and providing the Minister with control of lands within 30 metres of the transit corridor, as well as the need for additional permits for development around project areas.
- **Metrolinx Act:** Expanding Metrolinx's authority to require information from municipalities to provide to the Minister to support the development of provincial transit projects and TOCs.
- **Ministry of Infrastructure Act:** Provide the Minister with the authority to issue written directives to municipalities and municipal agencies, requiring them to provide the Minister with information to support the development of publicly funded projects.

Bill 17, if passed, will provide the Minister of Infrastructure, under the *Transit-Oriented Communities Act*, with further authority regarding TOCs. It will allow the Minister of Infrastructure to enter into partnership agreements to encourage investment in the development of TOCs and enter into agreements with any landowner that may be required to support a TOC project. These agreements shall be registered on title, and it appears they will not be subject to municipal approval.

Staff will continue to monitor Bill 17 and determine its impacts on the draft Vaughan Official Plan 2025.

For more information, contact Max B. Rubin, Legal Counsel, Planning Law, ext. 3643

Respectfully submitted by,

A handwritten signature in black ink, appearing to read "V. Musacchio".

Vince Musacchio
Interim Deputy City Manager
Planning, Growth Management and Housing Delivery

A handwritten signature in blue ink, appearing to read "Michael Coroneos".

Michael Coroneos
Deputy City Manager, Corporate Services,
City Treasurer and Chief Financial Officer